

COMMUNITY DEVELOPMENT DEPARTMENT  
23 Russell Boulevard — Davis, California 95616  
530/757-5610 — FAX: 530/757-5660 — TDD: 530/757-5666



June 25, 2008

State Clearinghouse  
P.O. Box 3044  
Sacramento, CA 95812-3044

Subject: City of Davis General Plan Annual Report, Fiscal Year 2007 - 2008

State Clearinghouse:

This is to submit the City of Davis General Plan Annual Report pursuant to Government Code Section 65400. This report covers fiscal year 2007 – 2008 from July 1, 2007 through June 30, 2008.

The City of Davis City Council reviewed and accepted the progress report on June 24, 2008.

Should you have any questions, please contact Rhys Rowland in my office or me at (530) 757-5610.

Sincerely,

Katherine Hess, AICP  
Community Development Director

Copy to:  
Housing and Community Development Department, Housing Policy Department, 1800 Third Street, Sacramento, CA 95811-6942

HOUSING POLICY  
DEVELOPMENT, HCD

JUN 26 2008

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Meeting Date:  
June 24, 2008

## Staff Report

June 4, 2008

**TO:** City Council

**FROM:** Katherine Hess, Community Development Director  
Bob Wolcott, Principal Planner  
Danielle Foster, Housing and Human Services Superintendent  
Rhys Rowland, Assistant Planner

**SUBJECT:** General Plan Annual Progress Report For Fiscal Year 2007 – 2008

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### **Recommendation**

1. Accept this annual progress report required by State of California.
2. Direct staff to forward the report to the Governor's Office of Planning and Research (OPR) and the State Department of Housing and Community Development (HCD).

### **Purpose of Annual Report**

Section 65400 of the State of California Government Code requires the planning agency of cities to provide an annual report to their legislative body, OPR, and HCD on the status of the plan and progress in its implementation. The intent of the annual report is to provide the local legislative body (that is, City Council) information regarding the implementation of the General Plan. The annual report is intended to provide enough information to identify "course adjustments" or modifications to the General Plan, if necessary.

### **Contents of This Annual Report**

This report is prepared for the fiscal year from July 1, 2007 through June 30, 2008, and contains the following sections:

1. Most Recent Updates of General Plan and Housing Element.
2. Current Housing Element Update.
3. Housing Element Reporting Requirements.
4. Amendments to the General Plan.
5. Construction Activity.
6. Other Implementation Activities.

### **Most Recent Updates of General Plan and Housing Element**

The last comprehensive update to the General Plan was adopted by City Council in May, 2001.



On July 20, 2004, the City Council of the City of Davis adopted the Draft Housing Element for the period of 2000 – 2007. The Element was certified as adequate by HCD.

### **Current Housing Element Update**

In December 2006, the Davis City Council initiated a Housing Element update.

The update focuses on the Regional Housing Needs Allocation (RHNA) and the City's 1% annual growth cap. The Regional Housing Needs Plan (RHNP) and Regional Housing Needs Allocation (RHNA) identify existing and projected housing needs by household income group for the City of Davis. It establishes the amount of housing units that the City is required to provide adequate land for meeting the regional projections for housing needs for the 7.5 year period from January, 2006 through June, 2013. This number includes five parts: a very low income requirement, a low income requirement, a moderate income requirement, an above-moderate income requirement, and the total requirement comprising all four income categories.

The City Council established the following mission, policy direction and assumptions for the update. The mission of the Steering Committee charge is to guide the development of a 2013 General Plan / Housing Element update and make recommendations to Planning Commission and City Council. The initial policy direction and assumptions included:

- The update shall not be a major overhaul or new plan. Focus on Housing Element update.
- Accommodate the City's new Regional Housing Needs Allocation (RHNA) from SACOG for the period of January 2006 through June 2013. Make every reasonable attempt to comply with the required schedule for Housing Element updates in the region, to allow for certification by June 30, 2008.
- Consider both infill and targeted peripheral development to accommodate the future housing need and RHNA allocation. Consider SACOG Blueprint project "smart growth" principles in developing, evaluating and recommending alternatives.
- Maintain the City's housing and growth related programs and policies, including affordable housing requirements and the one percent growth guideline resolution adopted by Council.

The Housing Element update has attempted to comply with the required schedule for Housing Element updates in the SACOG region. In March 2008, the revised Housing Element was submitted to the State Housing and Community Development Department (HCD) to allow for certification within 90 days, or by June 30, 2008. The Housing Element contains the information and analyses required under State law.

The following chronology of events have occurred in the city's efforts to update the Housing Element:

In February 2007, the City Council appointed a 15-member steering body to carry out the update process. The overall process leads to certification of the Housing Element by the State in June 2008 but the Steering Committee's work was completed by March 2008.

Through October 2007, the Steering Committee evaluated the housing potential of both infill and peripheral sites in terms of criteria identified by the Committee and the community. In November 2007, the Steering Committee obtained community feedback on a preliminary

“package” of sites to accommodate the RHNA allocation as well as the one percent growth guideline resolution. In January 2008, the Steering Committee obtained community feedback on the preliminary ranking of sites considered to meet the RHNA allocation as well as the 1% growth cap.

In March 2008, the Steering Committee completed their process of reviewing and ranking 36 potential housing sites within the Davis area including specific conditions for housing on some sites. Additionally, an approach for implementation for the development order using the rankings was developed by the Steering Committee. Simultaneously from January 2008 through March 2008, the City’s Social Services Commission, Planning Commission, and City Council reviewed and supported submittal of the City’s Draft Housing Element that is currently under review by HCD.

In April 2008, Steering Committee recommendations for the rankings of the sites, conditions for housing, and implementation plan were heard by City Council and Planning Commission in a joint session. Some revisions to the implementation plan and rankings were directed by Planning Commission and Council.

In June and July 2008, Staff will bring back the Steering Committee recommendations to the Planning Commission for recommendations and to City Council for directions.

In July 2008, Staff will bring back the revised Housing Element, based on HCD’s review, for final adoption by the City Council.

#### **Housing Element Reporting Requirements**

Government Code Section 65400 mandates that cities include in their annual report the progress in meeting its share of regional housing needs and local efforts to remove governmental constraints to the development of housing (as defined in Government Code Sections 65583 (c)(3) and 66584). The City of Davis has submitted reports to the State’s Housing and Community Development Department regarding its annual construction of housing to meets regional housing needs. The City of Davis has local inclusionary housing requirements in new housing developments, but does provide the projects with density bonuses and other incentives to offset the inclusion of affordable units. Additionally, the city provides land and financing to local non-profit housing developers who produce wholly-affordable housing projects. Local funding sources available for affordable housing production include a local Housing Trust Fund, and a Redevelopment Housing Set-Aside Fund. The City of Davis is also an entitlement community for HOME and CDBG funds that are provided directly to affordable housing projects as well.

**Production of affordable housing.** Included below is a summary of the total number of building permits issued during this past fiscal year. Of the 36 residential units that were issued permits through May, 10 were affordable. The affordability and size information breakdown is as follows:

Affordability	Number of Units	Assistance provided	Deed-restricted Affordable Housing?
Very-Low	0 units	Not applicable.	Not applicable.
Low	1 unit	No assistance provided, required under inclusionary program.	Yes, this unit is required to be affordable in perpetuity.
Moderate	9 units	No assistance provided, required under inclusionary program.	All nine units have deed restrictions recorded for ongoing affordability.
Above Moderate (Market Rate)	26 units	Not applicable.	Not applicable.
Total	36 units		

**Special needs populations.** Many of the City's recent affordable housing projects have focused on providing housing for identified special needs groups. 134 new housing units for elderly households and people with disabilities were finished last year. The ten affordable units listed above are not focused on serving any special needs population, but five of them do include features of accessibility with one of them being fully accessible.

**Emergency housing.** The City of Davis continues to provide annual assistance to Davis Community Meals, a local non-profit agency that oversees a cold weather shelter during the months of November through April. The shelter, with a 10-person capacity, is often near full capacity but only has five to seven nights each year when potential clients are turned away due to a lack of space. The City plans to continue these efforts to maintain a local cold weather shelter, supplemented by its long-standing commitment and annual contributions to the countywide homeless coordination project that also provides countywide shelter housing for all Yolo County residents. Additionally, a new Interfaith Rotating Cold Weather Shelter was organized and overseen by local faith-based organizations. This shelter was open from December through March, rotating between five locations for week-long periods. The capacity at this shelter was up to 25 individuals per night, serving adults and children.

**Accessibility and visitability.** During Fiscal Year 2007-08, the City continued its public outreach and education regarding visitability and accessibility. Units built this year with accessibility and visitability include units in the Cassel Lane subdivision, the Parque Santiago subdivision, and the Sheperd's Close project.

**Housing needs analysis update.** As part of the current update of the Housing Element, the City has contracted with a local firm, Bay Area Economics, to complete a Housing Needs Analysis. This report is being used to assist the City in the planning for future housing types needed by the community during this seven-year term.

#### **Amendments to the General Plan During Annual Report Period**

From July 1, 2007 through June 30, 2008, the City Council adopted the following amendments to the General Plan map (the latter two are approved "in intent"):

1. Fifth and Second Streets, and Pena Drive. This is a land use amendment which modified land use within a ten-acre block of the Mace Ranch Industrial Park from Industrial to Business Park.
2. Sweetbriar block. This is a land use amendment to the City's Core Area Specific Plan to change the land uses within the block from undesignated to Retail with Offices.
3. 555 and 603 L Street. This is a land use amendment which modified the land uses at the Davis Korean Church project site from Residential Low and General Commercial to Public-Semi Public.

There were no text amendments to the General Plan during the period.

#### **Construction Activity During Annual Report Period**

In fiscal year 2007-2008 through May, building permits were issued for 30 single family / duplex units and 6 multi-family units for a total of 36 residential units.

Building permits were issued for two commercial projects and one industrial project with a construction valuation of \$ 3,455,000.

#### **Other Implementation Activities**

The following other activities have been completed or have been initiated, implement to the General Plan goals and policies.

**City Council two-year strategic goals for 2007-2008.** City Council has identified eight strategic goals. Specific implementation strategies for the two-year period have been developed under each of the goals.

- Maintain and improve the infrastructure.
- Achieve long-term financial stability.
- Enhance the vitality of downtown.
- Provide a mix of high-quality housing to meet community needs.
- Conserve natural resources and protect the environment.
- Ensure top quality fire, police and emergency services.
- Ensure organizational strength.
- Promote economic development.

**Other infill development.** Other infill developments approved include:

- 3805 Faraday - Light Industrial, 70,000 sq. ft., approved January 2008.
- 324 Madson Place – Office, 12,740 sq. ft., approved January 2008.
- 2860 Covell Boulevard – Office, 14, 641 sq. ft., approved March 2007.

**Amendments to zoning ordinance and map.** The City Council has adopted the following amendments to the zoning ordinance and map to improve implementation of goals and policies:

- Rezoning of 2323 Rockwell Drive to allow use of a Clubhouse facility for a limited number of special events and to extend their hours of operation for those events.
- Rezoning of the University Mall to accommodate a medical use within the mall and to revise setbacks.
- Rezoning of 555 and 603 L Street consisting of several parcels from Single Family Residential to Public – Semipublic to accommodate an existing church expansion.

- Rezoning of a 10 acre area between Fifth and Second Streets, and Pena Drive from Industrial to Light Industrial / Business Park.

**UCD “West Village” neighborhood.** The City continues to work with UC Davis on the development of the proposed “West Village” neighborhood to provide new housing opportunities for university students, faculty and staff. Study of the feasibility of annexation to the city is underway.

**Community engagement in neighborhood plans.** The City initiated a “Tools of Engagement” program using funds from the Sacramento Area Council of Governments (SACOG) in 2007. The city hired a consultant to enhance public involvement through “Tools of Engagement”. The process for one site began in Fall 2007 with a series of community meetings and design charettes to actively engage citizens in the development of concept plans for the site. The process has culminated with the development of Preliminary Concept and a Refined Alternative plans prepared from community input prior to Planning Commission and City Council review. A plan by the neighborhood association was also developed as an alternative to the workshops plans.

**Neighborhood meetings for development projects.** City staff continues to conduct neighborhood meetings for development projects prior to public hearings.

**Assistance to neighborhood associations.** The City’s Community Partnership Coordinator continues to provide assistance to neighborhood associations in solving neighborhood problems.

**Reduction of building plans review time.** The Community Development Department continues to utilize third-party project reviewers and plan checkers to reduce permit processing time.

**Public information.** The City continues to expand the information provided on the City’s web site and local cable television channel. The Building inspection staff has recently expanded its public outreach to include extensive information on “green buildings”.

**Sustainability initiative.** Multiple city departments have initiated a process to recommend actions to the City Council to reduce the City’s green house gas (GHG) emissions and promote sustainability within the organization and the community. Initial recommendations for GHG reductions have been made to the City Manager’s Office. Implementation of these recommendations is under way.

The City Council has also appointed a Climate Action Team of citizens to develop a community wide sustainability master plan, with a key component to reduce city GHG’s by 15% from 1990 levels by 2015. Meetings commenced in May 2008.

**Financial implementation.** The public projects in the General Plan are financed through the City’s annual budget and multi-year capital financing plan.

- Budget. The budget serves as the city’s primary financial document to guide the City Council and staff through the coming fiscal year. It outlines the major priorities and projects that the city will undertake. It reflects staff time for city programs and services, contracts for maintenance and major construction projects, as well as needed materials and supplies. The



final budget for the 2007-2008 fiscal year was \$180,238,484 million including all expenditures planned by the City, including those of the Redevelopment Agency and all internal service charges.

- Capital financing plan. Together, the Development Impact Fees Study and the Capital Improvement Projects Master Plan are the vehicle by which the City implements the vision, programs and projects in the General Plan.
  - The Development Impact Fees Study is the financial analysis of the cost of infrastructure requirements of new development envisioned by the City's General Plan. The study translates the costs allocable to new development into a series of fees that each unit must pay as its contribution toward meeting the additional infrastructure requirements. The study is updated annually to reflect changes in actual and projected development and infrastructure costs.
  - The Capital Improvement Projects Master Plan shows a five-year cash flow derived from the financial analysis and establishes construction priorities based on the timing of available funds. Funding for the capital financing plan derives from a number of sources including: development impact fees; Mello Roos special tax assessments; redevelopment; construction tax revenues; state and UC Davis contributions; enterprise funds; and other. Infrastructure projects include street and other transportation facilities, core area, park and recreation, public safety and open space. The City updates the five year plan annually to reflect changes in cash flow, project costs and timing.

CC: Planning Commission

